

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION

APR 16 2002

DIRECTOR OF UTILITIES

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01472A

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MORMON LAKE WATER COMPANY
P.O. BOX 29041
PHOENIX, AZ 85038

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

4-18-02 cm

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Mormon Lake Water Company</u>		
Mailing Address <u>P.O. Box 29041</u> (PLEASE MAIL ALL FORMS TO THIS ADDRESS)		
<u>Phoenix</u> (City)	<u>AZ</u> (State)	<u>84038</u> (Zip)
<u>480-998-8888</u>	<u>480-607-8644</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>P.O. Box 38012</u>		
<u>Mormon Lake</u> (City)	<u>AZ</u> (State)	<u>86038</u> (Zip)
<u>928-354-2227</u>		
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Scott Gold</u>		<u>President</u>	
	(Name)		(Title)
<u>P.O. Box 38012</u> (Street)	<u>Mormon Lake</u> (City)	<u>AZ</u> (State)	<u>86038</u> (Zip)
<u>928-354-2227</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Jim Sorgatz</u>			
	(Name)		
<u>P.O. Box 38012</u> (Street)	<u>Mormon Lake</u> (City)	<u>AZ</u> (State)	<u>86038</u> (Zip)
<u>928-354-2227</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: Navaz Ghaswala

(Name)

7501 E. McCormick Pkwy

Scottsdale

AZ

85258

(Street)

(City)

(State)

(Zip)

480-998-8888

480-998-8887

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Ed Wainscott, Quarles & Brady Streich Lang

(Name)

Two North Central Ave.

Phoenix

AZ

85004-2391

(Street)

(City)

(State)

(Zip)

602-229-5704

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☒ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME MORMON LAKE WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements ⁵⁹⁶⁰ 3099	13087	12151	936
307	Wells and Springs ²⁴³⁶² 4084 ⁷⁴²³ 2394	45687	23234	22453
311	Pumping Equipment			
320	Water Treatment Equipment ⁵⁶⁷² 2892	8654	6662	1992
330	Distribution Reservoirs and Standpipes ³⁷²⁸ 7827	11555	7276	4279
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	25109	6899	18210
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	43867	43867	0
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment ¹³³⁶ ²⁷³ 481	2091	1247	844
348	Other Tangible Plant			
	TOTALS	150050	101336	48714

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME MORMON LAKE WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	13087	5%	298
307	Wells and Springs (1115 from abandoned well)	45687	4%	3550
311	Pumping Equipment			
320	Water Treatment Equipment	8654	14%	797
330	Distribution Reservoirs and Standpipes	11555	5%	578
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	25109	5%	1477
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	43867	0	0
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	2091	20%	472
348	Other Tangible Plant			
	TOTALS	150050		7172

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME	MORMON LAKE WATER COMPANY
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BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 36697	\$ 48141
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	3262	2816
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	1175	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 41134	\$ 50957
	FIXED ASSETS		
101	Utility Plant in Service	\$ 174140	\$ 150050
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(112257)	(101336)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 61883	\$ 48714
	TOTAL ASSETS	\$ 103017	\$ 99671

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	339	351
235	Customer Deposits		
236	Accrued Taxes	960	877
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	1881	1949
	TOTAL CURRENT LIABILITIES	\$ 3180	\$ 3177
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ --	\$ --
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100	\$ 100
211	Paid in Capital in Excess of Par Value	353518	353518
215	Retained Earnings	(253781)	(257124)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 99837	\$ 96494
	TOTAL LIABILITIES AND CAPITAL	\$ 103017	\$ 99671

COMPANY NAME MORMON LAKE WATER COMPANY

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 42592	\$ 41314
460	Unmetered Water Revenue		
474	Other Water Revenues	60	140
	TOTAL REVENUES	\$ 42652	\$ 41454
	OPERATING EXPENSES		
601	Salaries and Wages	\$ --	\$
610	Purchased Water	--	6240
615	Purchased Power	2514	2500
618	Chemicals		
620	Repairs and Maintenance	1111	182
621	Office Supplies and Expense	1105	438
630	Outside Services 265+14673+3316	18080	18254
635	Water Testing 470+546	245	1016
641	Rents	1	1
650	Transportation Expenses	287	150
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	1543	1395
403	Depreciation Expense	6904	7172
408	Taxes Other Than Income 582-546	570	36
408.11	Property Taxes	1621	1704
409	Income Tax	50	50
	TOTAL OPERATING EXPENSES	\$ 34031	\$39138
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 52	\$ 609
421	Non-Utility Income	--	1
426	Miscellaneous Non-Utility Expenses loss on asset		(6269)
427	Interest Expense	--	
	TOTAL OTHER INCOME/EXP	\$ 52	\$(5659)
	NET INCOME/(LOSS)	\$ 8673	\$ (3343)

COMPANY NAME	MORMON LAKE WATER COMPANY
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SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	NONE			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ N/A

Meter Deposits Refunded During the Test Year

\$ N/A

COMPANY NAME MORMON LAKE WATER COMPANY

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-608464	1/3	8	6"	5/8 x 3/4
55-518665	1/3	15	6"	1"
55-564454	1/2	8	5"	5/8 x 3/4
55-564838	1/2	7	5"	5/8 x 3/4

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 2,700

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1		
3	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
24,000	1	760	1
20,000	1		
15,000	2		

STATISTICAL INFORMATION

Total number of customers 141

Total number of gallons sold 2,767,821 gallons

COMPANY NAME MORMON LAKE WATER COMPANYYEAR ENDING 12/31/2001**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(3343) (before N.O.L.)</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>(3343) (before N.O.L.)</u>
Estimated or Actual State Tax Liability	<u>50</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4/12/02
DATE

Rjay Lloyd

PRINTED NAME

Secretary

TITLE

COMPANY NAME MORMON LAKE WATER COMPANY YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

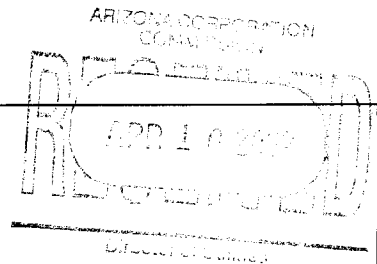
Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 1662.53

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

N/A



**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Maricopa
NAME (OWNER OR OFFICIAL) TITLE Rjay Lloyd, Secretary
COMPANY NAME Mormon Lake Water Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPRORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 41454

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Rjay Lloyd, Sec
SIGNATURE OF OWNER OR OFFICIAL
480-998-8888
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

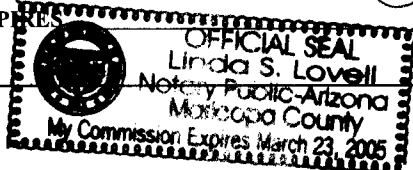
15th

DAY OF

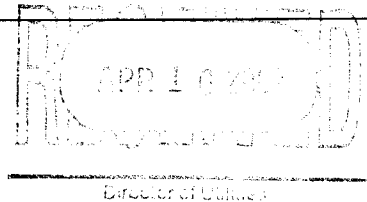
COUNTY NAME Maricopa	
MONTH <u>April</u>	<u>2002</u>

(SEAL)

MY COMMISSION EXPIRES



Linda S. Lovell
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Maricopa

NAME (OWNER OR OFFICIAL)

Rjay Lloyd

TITLE

Secretary

COMPANY NAME

Mormon Lake Water Comapny

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH

12

DAY

31

YEAR

2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

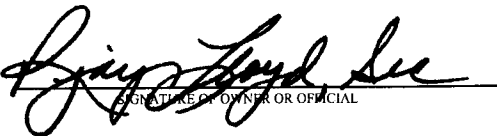
\$ 41,313.50

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 0

IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X 
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15th

DAY OF

NOTARY PUBLIC NAME

COUNTY NAME

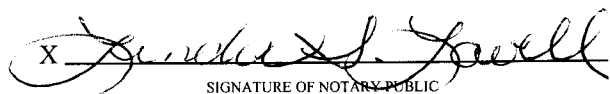
Maricopa

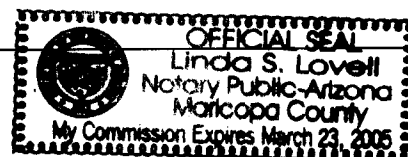
MONTH April

.20 02

(SEAL)

MY COMMISSION EXPIRES

X 
SIGNATURE OF NOTARY PUBLIC



917-10-100

MORMON LAKE WATER CO.

P.O. BOX 38012

MORMON LAKE, AZ 86036

BANK OF AMERICA
91-170/1221

CHECK NO. 00003565

1217578

DATE 10/29/01 \$*****851.99

PAY EIGHT HUNDRED FIFTY ONE AND 99/100 *****

TO THE
ORDER OF:

COCONINO COUNTY TREASURER
BONNY K KRASKE
110 E CHERRY AVE
FLAGSTAFF AZ 86001

MORMON LAKE WATER CO.

BY

[Signature]

⑈003565⑈ ⑆122101706⑆ 000035⑈751357⑈

⑈0000085199⑈

MORMON LAKE WATER CO.

P.O. BOX 38012

MORMON LAKE, AZ 86036

BANK OF AMERICA
91-170/1221

CHECK NO. 00003530

706855

DATE 04/25/01 \$*****810.54

PAY EIGHT HUNDRED TEN AND 54/100 *****

TO THE
ORDER OF:

CORNIE FRY COUNTY TREASURER
110 E CHERRY
FLAGSTAFF AZ 86001

MORMON LAKE WATER CO.

BY

[Signature]

917-10-100

⑈003530⑈ ⑆122101706⑆ 000035⑈751357⑈

⑈0000081054⑈